



Commonwealth of Massachusetts
Executive Office of Energy & Environmental Affairs

Department of Environmental Protection

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September 4, 2013

Mr. Ronald N. Clazie
FP International
1090 Mills Way
Redwood City, CA 94063

RE: Auburn
310 CMR 7.00 Appendix B
Transmittal No.: X252075
Application No.: BO-12-001
FMF No.: 50971
Final Approval of Emission Reduction Credits

Dear Mr. Clazie:

The Department of Environmental Protection ("MassDEP") has determined that the referenced Emission Reduction Credits ("ERC") application is administratively and technically complete. FP International's application, submitted on June 14, 2012, is hereby incorporated by reference into this Approval. The MassDEP **approves** the certification of the amount of "actual" emissions reductions of Volatile Organic Compounds ("VOC") emissions. The VOC emission reductions have been generated from the permanent shutdown of the polystyrene foam packaging material manufacturing operations at FP International's facility located at 4 – 10 Saint Mark Street in Auburn, Massachusetts ("Facility").

This **Final ERC Approval** is being issued in accordance with 310 CMR 7.00 Appendix B of the Air Pollution Control Regulations ("Regulations"), 310 CMR 7.00 as adopted pursuant to M.G.L. c.111, Section 142B and 142D. This application only applies to those ERCs in the Rate ERC Bank which would have been generated continuously from the "shutdown" of the facility's equipment as identified herein for the useful life of said equipment.

MassDEP published a public hearing notice for the Proposed Approval of Emission Reduction Credits in the Worcester Telegram and Gazette on July 12, 2013, in accordance with the provisions of Massachusetts General Laws Chapter 30A, Chapter 111, Sections 142A through 142E, and 310 CMR 7.00: Appendix B(6)(d)3. The public hearing was held on August 8, 2013 at 10:00AM at the MassDEP Central Regional Office. Additionally, comments on the Proposed Approval were accepted until 5:00 PM on August 12, 2013. No comments were received at the public hearing or in writing. Therefore, MassDEP is issuing the Final Approval of Emission Reduction Credits.

Please review the entire **Final Approval of ERCs** carefully as it stipulates the particular conditions the facility owner/operator must comply with for the ERCs to be considered **real, quantifiable, surplus, enforceable and permanent** in accordance with the Regulations.

The MassDEP has determined that the filing of an Environmental Notification Form (“ENF”) with the Secretary of Environmental Affairs, for air quality purposes, was not required prior to this action by the MassDEP. Notwithstanding this determination, the Massachusetts Environmental Policy Act and Regulation 310 CMR 11.00, Section 11.04, provide certain “Fail-Safe Provisions” which allow the Secretary to require the filing of an ENF and/or Environmental Impact Report at a later time.

A. Equipment Description

FP International has submitted information via a BWP AQ 18 ERC Application Form, which proposes that VOC emission reductions from the shutdown of the following production equipment at FP International’s facility located at 4-10 Saint Mark Street in Auburn, Massachusetts, will generate rate-based Emission Reduction Credits (“ERC”).

Emission Unit	Manufacturer/Model Number
Extruder & Expanders (EU 1)	Berlin & FP/3.5

B. Baseline Emissions

The following table summarizes the facility’s baseline VOC emissions based on historic data as submitted in the BWP AQ-18 application and supporting material. (Refer to 310 CMR 7.00: Appendix B(3)(c)2.c.)

Emission Unit	Baseline Year	Actual VOC Emission Rate(1)	Allowable VOC Emission Rate (2)	Baseline VOC Emissions, tons per year(3)
EU #1	2007	40.6	49.8	40.6
	2008	39.1	49.8	39.1

(1) tons/year, calculated as 76% of actual blowing agents used.

(2) tons/year in the approval (with Transmittal # 100684) issued on 11/28/1995.

(3) In accordance with 310 CMR 7.00: Appendix B(3)(c)2.c., baseline emission rate equals the lower of the actual or allowable emission rate

MassDEP hereby determines:

Average Baseline VOC Emissions (2007/2008) =
(40.6 + 39.1)/2 = 40 tons VOC/year (rounded to the nearest whole number)

C. Post-Reduction Emissions

Since the facility has been permanently shut down, there are no post-reduction emissions from these units.

D. Emissions Reduction Credit

In accordance with 310 CMR 7.00: Appendix B(3)(c)4.a., the VOC emission reductions are calculated by subtracting the potential post reduction emissions from the baseline emissions as summarized in the following table:

Emission Unit	Baseline VOC Emissions, tons per year	Post-Reduction VOC Emissions, tons per year	VOC Emissions Reduction, tons per year
EU #1	40	0	40

In accordance with 310 CMR 7.00: Appendix B(3)(c)4.b., ERCs will be certified by MassDEP after application of compliance assurance multiplier, associated with the particular method of compliance assurance in 310 CMR Appendix B(3)(c), to the resulting difference between baseline emissions and post reduction emissions.

The ERCs can be approved, however, only where the emission reduction, as calculated under 310 CMR 7.00: Appendix B(3)(c)4.a., is greater than 5 tons per year for deposit in the Rate ERC Bank, or greater than 5 tons for the Mass ERC Bank.

The applicable compliance assurance multiplier is 1.0 (Irreversible Process Change).

The product of the VOC emissions reduction and compliance assurance multiplier equals the VOC emissions reduction credit.

MassDEP hereby determines that the VOC emissions reduction credit is 40 tons per year.

In accordance with 310 CMR 7.00: Appendix B(3)(c)4.d., ERCs certified from shutdowns shall be expressed in tons per year and will be placed in the Rate ERC Bank. In the event FP International or their successor wishes to transfer the ERCs in the Rate ERC Bank into the Mass ERC Bank, MassDEP has assigned the ERCs from the shutdown a “Remaining Useful Life” in years, which will be used to transfer the ERCs from the Rate ERC Bank to the Mass ERC Bank.

In accordance with 310 CMR 7.00: Appendix B(2), “Remaining Useful Life” is defined as the length of time for which the equipment that is being shut down would have continued to operate had the owner/operator chosen not to shut down the equipment and apply for certification of credits at that time. Remaining Useful Life shall be ten (10) years except in those cases where MassDEP determines a shorter period is appropriate, or the applicant demonstrates to MassDEP 's satisfaction that a period of longer than ten (10) years is warranted. MassDEP will use the following criteria for making the determination including, but not limited to: the age of the equipment; the type of equipment; maintenance history; operating history; and industry norms. In any case, remaining useful life shall not exceed twenty (20) years.

MassDEP hereby determines that “Remaining Useful Life” is 10 years.

FP International has applied for ERCs in the Rate ERC Bank only. Therefore, MassDEP hereby PROPOSES to certify VOC ERCs in the Rate ERC Bank in the amount of 40 tons per year. If FP

International or their successor elects to convert the ERCs in the Rate ERC Bank to ERCs in the Mass ERC Bank, the result would be 40 tons per year times 10 years remaining useful life, or 400 tons of VOC ERCs in the Mass ERC Bank. Furthermore, should FP International or their successor request conversion to ERCs in the Mass ERC Bank, MassDEP PROPOSES to further define said ERCs in the Mass ERC Bank at a fraction of 5/12 ozone season (May 1 through September 30), 167 tons of ozone season VOC ERCs in the Mass ERC Bank, and at a fraction of 7/12 non-ozone season (October 1 through April 30), 233 tons of non-ozone season VOC ERCs in the Mass ERC Bank.

E. Expiration of Emission Reduction Credit

In accordance with 310 CMR 7.00: Appendix B(3)(d)8., ERCs in the Rate ERC Bank shall revert to Massachusetts to be retired for the benefit of the environment if they have not been used by midnight of the date ten years from the date of MassDEP final approval. ERCs in the Mass ERC Bank shall not expire or cease to exist after a set period of time, even if not traded or used.

F. Shutdown Condition

MassDEP hereby REVOKES all previously issued Approvals and the Operating Permit for the facility issued to FP International and predecessors, including

- application #CM-88-IF-010, approval dated December 27, 1988
- application #C-P-91-015, transmittal #5112, approval dated September 17, 1991
- application #C-P-92-022, approval dated September 21, 1992
- application transmittal #100684, approval dated November 28, 1995
- application transmittal #100685, approval dated October 29, 1996
- application transmittal #W032661, Operating permit dated October 26, 2004

Should you have any questions concerning this **Final Approval**, please contact Marc Wolman at (617) 292-5515.

Sincerely,

This final document copy is being provided to you electronically by the
Department of Environmental Protection. A signed copy of this document
is on file at the DEP office listed on the letterhead.

Roseanna E. Stanley
Acting Permit Chief
Bureau of Waste Prevention

ecc: Emergency Management Director, Town of Auburn
Fire Chief, Town of Auburn
Marc Wolman, DEP Boston
Yi Tian, DEP Boston
Donald Dahl, EPA Region 1